GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:4332
ANSWERED ON:11.08.2016
Allocation under Regional Connectivity Scheme
Trivedi Shri Dinesh

Will the Minister of CIVIL AVIATION be pleased to state:

(a) the budget allocation for promotion of regional and remote area air connectivity in the country under the Regional Connectivity Scheme for year 2016-17;

(b) the funds proposed to be allocated to various States including State of West Bengal under the Regional Connectivity Scheme; and

(c) the manner in which the Government proposes to implement the scheme?

Answer

Minister of State in the Ministry of CIVIL AVIATION

(Shri Jayant Sinha)

(a) to (c): The Government of India has recently released National Civil Aviation Policy (NCAP) 2016 which envisages Regional Connectivity Scheme (RCS). The Scheme will inter-alia be implemented by way of Viability Gap Funding (VGF) for operators under RCS. VGF will be shared between Ministry of Civil Aviation and the State Government in the ratio of 80:20. For the North-Eastern States the ratio will be 90:10. The payment of the full amount of the VGF will be made to the airline operator from the Regional Connectivity Fund (RCF) and the State Governments will be subsequently asked reimbursement. The RCF will be funded by a levy from a date to be notified by the Government under Section 5(2) (ab) of the Aircraft Act 1935.